CHAPTER II—REVENUE AND FINANCE.

(i) Revenue and Finance.

270. The total Revenue realised during the year 1958-59 was Rs. 6,888·90 (Rs. 5,855·10) lakhs and the Expenditure met from revenue was Rs. 5,898·09 (Rs. 5,314·13) lakhs, resulting in a surplus of Rs. 990·81 (Rs. 500·95) lakhs.

271. The total receipts and disbursements for the year including Service, Debt, Deposit and Remittance heads were Rs. 48,797·37 (Rs. 377,19·16) lakhs and Rs. 49,523·05 (Rs. 37,460·73) lakhs, respectively, and the year closed with a cash balance of Rs. 286·70 (Rs. 1,012·38) lakhs.

Consolidated Fund—Receipts.

272. Compared with the actuals of the previous year, large increases appear under the following heads.—

		Rs. in lakhs
Land Revenue	...	68·76
Forest Revenue	...	70·78
Excise Revenue	...	19·32
Stamp Revenue	...	18·06
Other Taxes and Duties	...	265·06
Miscellaneous	...	65·96
Public Health	...	11·41

273. The increases under the heads mentioned above are to some extent set off by appreciable decreases under the heads mentioned below:—

		Rs. in lakhs.
Education	...	11·92
Civil Works	...	4·65
Irrigation, Navigation etc., Works (Non-commercial).		3·24
Receipts from Road and Water Transport Schemes.		52·39

274. The increases under Land Revenue have appeared mainly under 'Ordinary Revenue' and 'Miscellaneous'. The increase under Forest Revenue has appeared under 'Timber and other produce removed from forests by

Government and consumers and purchasers' and the increase under 'Excise Revenue' is mainly due to increased receipts under 'Country Spirit, Country Fermented Liquors and Duties on medical and toilet preparation' etc.

Consolidated Fund—Disbursements.

Expenditure met from Revenue.

275. Compared with the actuals of the previous year, large increases appear under the following heads of account.—

	Rs. in lakhs.
Land Revenue ...	18·29
Forest ...	41·86
Other Taxes and Duties ...	52·46
Police ...	14·53
Stationery and Printing ...	16·02
Community Development Projects	33·42
Public Instruction ...	64·23

276. There has been a considerable decrease in the expenditure under the heads noted below :—

	Rs. in lakhs.
Miscellaneous	24·66
Interest on Debt and other obligations.	23·83
Appropriation to Irrigation and Power Development Fund.	7·00

Capital

277. The total net capital outlay during the year was Rs. 1,750·61 lakhs as compared with Rs. 1,688·85 lakhs during the previous year. Increases appear under all the Capital heads except the head "Appropriation to Irrigation and Power Development Fund".

278. Under "Public Debt" there was a net incoming of Rs. 2,367·70 lakhs representing the loan received from the Government of India and the Mysore State Development Loan of 1970 floated during the year 1958-59. The heavy net outgoing of Rs. 402·11 lakhs under "Loans and Advances by State Government" during the year was due to increase in the loans and advances granted by the State Government.

279. The net outgoings of Rs. 46·18 lakhs under "Inter State Settlements" represents the amount allocated from the Government of Bombay under the States Re-organisation Act of 1956.

CONTINGENCY FUND.

280. The entire expenditure met from the advances sanctioned out of the Contingency Fund was recouped in full before the close of the year and the fund closed at the end of the year with a credit balance of rupees two crores.

PUBLIC ACCOUNT.

281. There was a net incoming of Rs. 2·21 lakhs under "Special Loans" of Rs. 56·84 lakhs under "State Provident Fund" and Rs. 130·91 lakhs under "Reserve Fund". A general increase is noticed under all the heads included under this account.

(ii) Excise.

282. There were two distilleries in the State during the year viz., (1) Mandya Distillery, managed by Messrs. Mysore Sugar Co., Ltd., Mandya, and (2) Hospet Distillery, managed by Messrs. India Sugars and Refineries Ltd., Hospet.

283. The Mysore Sugar Co., Ltd., continued to be the manufacturing contractors for the supply of liquors during the year.

284. The Distillery at Hospet continued to manufacture commercial spirits, viz., Rectified and Denatured spirits.

285. The rate of Molasses Arrack of 35° U.P. payable to Messrs. Mysore Sugar Co., Ltd., was the same as in the previous year. There was no change in the cost price of special liquors manufactured out of molasses.

286. There were 18 Arrack Bonded Depots during the year.

287. There was no change during the year in the issue strength of Molasses Arrack and Special Liquor during the year. The limit of private possession of the several

REVENUE AND FINANCE

kinds of liquors continued to be the same as in previous years as under :—

(1) Molasses Arrack	...	4¼ drams
(2) Jaggery Arrack	...	4¼ drams
(3) Special Liquors	...	1 gallon in aggregate

288. The number of shops licensed for the retail vend of Mollases Arrack was 100 (100), while that for the sale of bottled liquors was 9 (9).

289. The consumption of Arrack of 35° U. P. was 272,095-25 (273,872-49) drams while that of special liquors supplied in bottles was 8,704-42 (18,049-34) drams.

Incidence of consumption.

290. The incidence of consumption of country spirit per 100 of population was 6·05 (6·54) proof gallons computed in respect of population of only the wet areas of the old Mysore State.

Rectified Spirit.

291. The number of licenses issued during the year was 290 (108). The total quantity of Rectified spirit including Absolute Alcohol manufactured during the year was 4,44,493-0 gallons; of this, a quantity of 3,10,854-13 gallons was issued from the Distillery at Mandya, which included a quantity of 80,645 gallons exported outside the State, 64,706-9 gallons issued in the State and 1,65,503-4 gallons taken out for conversion to liquors and spirits. In the Hospet Distillery, the total quantity of Rectified spirit manufactured during the year was 1,71,110-2 gallons; of this, a quantity of 1,47,106-13 gallons was issued from the Distillery, which included a quantity of 11,748.4 gallons issued in the State and 1,35,412 gallons taken out for conversion into liquors and spirits.

Denatured Spirit.

292. For possession and use of Denatured spirit in Government and other aided industries, hospitals, dispensaries, health units and veterinary dispensaries, 288 licenses were issued during the year.

293. A total quantity of 61,400 gallons of Denatured spirit was issued from the Distillery, Mandya, for local consumption, while from Hospet Distillery a quantity of 46,435·8 bulk gallons was issued for local consumption and the remaining 17,000 bulk gallons were exported outside the State.

294. Ayurvedic preparations, Drakshasava, Draksharista, Pippalyasava and Mritasanjivini, were treated as

restricted preparations and the other Aswas and Aristas as unrestricted preparations liable to "Nil" duty.

Spirituous Medicinal Preparations.

295. A quantity of 4,533·5 proof gallons of spirituous medicinal preparations were imported into the State.

296. The export of spirituous medicinal preparations by the several pharmaceuticals in the State to places outside the State amounted to 14,673·68 proof gallons. Of this, a quantity of 10,575·677 proof gallons was subjected to Excise duty and the balance of 4,398·004 proof gallons was on duty-free basis.

Indian Made Foreign Liquors.

297. (1) Messrs. Amrut Distilleries, Bangalore, (2) Messrs. Khoday R.C.A. Industries, Bangalore, and (3) Messrs. Dasarath and Company, Mysore, were permitted to manufacture Indian made Foreign liquors.

298. A quantity of 53,437·185 proof gallons of Indian Made Foreign liquors were manufactured in the State during the year. Of which, 6,014·07 proof gallons were issued for consumption in the State and 18,236·993 proof gallons were exported to the places outside the State.

299. A sum of Rs. 4,10,491·33 was collected towards Excise duty on these liquors consumed in the State.

300. The Excise duty on Indian made Foreign liquors was enhanced from Rs. 35 to Rs. 70 per proof gallon with effect from 1st July 1958.

Toddy.

301. The revenue derived from Toddy amounted to Rs. 77,53,921-29 (Rs. 71,24,523-51); comprising shop rentals of Rs. 66,74,385 (Rs. 62,61,407-40), tree tax of Rs. 10,01,248-15 (Rs. 8,42,545-61) and tree rent of Rs. 78,288-14 (Rs. 20,570-50).

302. The number of shops for the sale of Date and Cocoanut Toddy was 552, while that for the sale of Bagan Toddy was nil.

303 No trees were permitted to be tapped free of tree tax for domestic consumption during the year.

Malt Liquors.

304. The number of licenses issued exclusively for sale of Country Beer was 10 (10).

305. The consumption of Beer amounted to 5,58,109-40 (44,848-38) gallons during the year. The United Breweries Ltd., and Venus Breweries in Bangalore and Chamundi Brewery in Mysore continued to manufacture Beer.

REVENUE AND FINANCE

306. The revenue derived from malt liquors amounted to Rs. 19,01,770-39 (Rs. 16,11,202-84); comprising of Rs. 10,28,428-39 (Rs. 7,78,433-84) under duty and Rs. 8,73,342 (Rs. 8,32,769) under shop rentals.

Foreign Liquor.

307. During the year, 72 (72) Foreign liquor licenses were renewed. Out of this, 10 (13) were whole-sale, 20 (20) retail, 7 (6) hotel and 35 (33) ordinary refreshment rooms (Bars).

308. The revenue realised under licence and gallonage fee was Rs. 1,83,755-36 (Rs. 6,13,730-13).

309. With effect from 1st July 1958, the sale and distribution of Ganja for other than scientific purposes and also the issue of permits for its cultivation and imports from outside the State have been prohibited.

310. The sale of Ganja was stopped from 1st July 1958 and all the Ganja shops were closed with effect from that date.

311. The consumption of Ganja during the year was 1,664 (6,225) seers as the Ganja shops were licensed only for 3 months during the year.

312. The revenue derived from Ganja amounted to Rs. 2,89,098 (Rs. 10,79,304-62); comprising of Rs. 1,08,160 (Rs. 4,00,985) under duty, Rs. 1,64,598 (Rs. 6,16,621-75) under shop rentals and Rs. 16,340 (Rs. 61,697-87) under gain on sale of Ganja.

Opium

313. The limit of private possession of Opium continued to be one tola as in previous years.

314. The number of shops for the sale of Opium was 32 (32). The consumption of Opium during the year was 257-28 (299-36) seers.

315. The revenue derived from Opium was Rs. 2,20,009-23 (Rs. 2,61,229-62); comprising of Rs. 1,74,613-50 (Rs. 2,08,514-50) under licence fee and Rs. 45,395-73 (Rs. 52,715-12) under sale of Opium.

316. The sale of Opium in licensed shops was prohibited from 1st April 1959 in accordance with the Prohibition Policy of Government.

317. No fresh licenses were issued for possession and use of Opium for Veterinary and Quasi Veterinary purposes, as well as for the sale of Opium preparations.

Dangerous Drugs

318. Under the Dangerous Drugs Act nine fresh licenses were issued. Of these, two licenses have been issued for possession and use of dangerous drugs in the hospitals and the remaining seven pertaining to chemists and druggists.

Offences under Excise and Opium Acts

319. The total number of offences reported during the year under Excise and Opium Acts was 1,773 (1,696). Of these, 369 (310) cases relate to heinous offences, 113 (108) to cutting and removal of date trees, 27 to dead date trees due to careless or over tapping and the remaining 1,264 (1,174) cases to the breaches of licence conditions.

320. The number of cases relating to illicit distillation and kindred offences increased from 293 to 353 during the year, the largest number of cases being 259 (229) related to Bangalore District.

Disposal of cases

321. Out of 2,043 (1,904) cases for disposal including 1,773 (1,696) cases reported during the year, 1,225 (1,352) were disposed of departmentally and 341 (282) cases were pending disposal at the end of the year.

322. The percentage of cases in which convictions were secured to the total number of cases disposed of was 95·01 (95) per cent.

323. The periodical publication of the Excise Supplement to the Mysore Police Gazette, was continued as in previous year.

324. No cases of assaults have been reported from any of the Wet Districts during the year.

Demand, Collection and Balance.

325. The total demand of the Excise Revenue at the beginning of the year amounted to Rs. 2,23,90,852-37 (Rs. 2,10,11,607-87) including the amount of arrears of previous year of Rs. 11,77,044-16. Of this amount, a sum of Rs. 2,10,21,378-20 (Rs. 1,94,69,255-87) towards the current demand and Rs. 2,83,870-49 (Rs. 3,65,308-32) towards the old arrears were collected, leaving a balance of Rs. 10,93,603-68 (Rs. 11,77,044-16) at the close of the year.

326. The percentage of collection to the total demand was 95·26 (94·3).

Revenue and Expenditure of the Department.

327. The total revenue of the Excise Department for the year 1958-59 amounted to Rs. 2,12,21,808-21 (Rs. 1,97,76,897-13) and the expenditure amounted to Rs. 16,39,256-81 (Rs. 15,63,685-19).

REVENUE AND FINANCE

Incidence of Taxation.

328. The incidence of taxation per head of population was Rs. 4-81 computed in respect of population of the Wet Districts of the old Mysore State, leaving out of account the Dry areas.

Conviction for Drunkenness

329. One hundred and seventy-seven persons (195) persons were convicted for drunkenness in four Wet Districts only *i.e.*, Bangalore, Mysore, Mandya and Hassan.

Prohibition in the State

330. With the exception of Dry Districts and four taluks in Hassan District, Sakleshpur, Belur, Alur, and Arkalgud and Kollegal in Mysore District and Channapatna and Closepet in Bangalore District, the Excise privileges in the several Wet Districts of the old Mysore area were disposed of for 1958-59 by the Tender-*Cum*-Auction system; the lease commencing from 1st July 1958 and ending with 30th June 1959 as in previous years and of the Opium from 1st July 1958 ending with 31st March 1959.

Bombay Area.

331. It is now nine years since total prohibition is introduced in all the four districts *viz.*, Bijapur, Belgaum, Dharwar and Karwar of the Ex-Bombay State now integrated with the Mysore State from 1st November 1956.

332. The import, export, transport, sale, possession, purchase, consumption and use of foreign liquors, hemp drugs and opium were prohibited except under a licence permit or authorisation.

333. Theimport, export, transport, sale, possession, purchase, consumption and use of country liquor and toddy were totally prohibited.

334. Government hemp drugs and opium depots for the sale of opium and hemp drugs in all the four districts of the Bombay area and the two Government foreign liquor depots for the sale of foreign liquor in Bijapur and Dhawar, opened in the year 1950, were continued during the year.

335. The Acts and Rules of the Bombay State which were in operation prior to 1st November 1956 continued to be in force in the four districts of the Bombay Karnatak area.

336. The manufacture of spirituous medicinal preparations and levy of duty thereon were regulated under the M. & T. P. (Excise Duties) Act, 1955 and the Rules

1956 framed thereunder. Authorisations were issued for the sacramental wine for use in the four districts of Bijapur, Belgaum, Dharwar and Karwar.

337. The Neera Scheme was encouraged under the management of the Khadi and Village Industries Board, Karnatak Region, Hubli and the co-operative societies.

338. The receipts under Excise Duties head for the year was Rs. 45,083-38.

339. Prohibition propaganda and recreation activities were carried out in all the four districts by means of film shows and gramaphone records on prohibition by the District Publicity Officers. The Prohibition and Excise authorities with the co-operation of social workers and the members of the prohibition sub-committees carried out systematic propaganda by holding public meetings and delivering lectures and distribution of literature on prohibition. Propaganda and Publicity.

Hyderabad Area.

340. The Excise shops in the Hyderabad Karnatak area were auctioned for a period of 9 months only *i.e.*, from October 1958 to June 1959 to have uniformity as the Excise year in the old Mysore State commences from July.

341. Ganja shops were abolished with effect from 1st October 1958.

342. Liquor of 30° U.P. was supplied to all the three districts of Hyderabad integrated area from Hospet Distillery, managed by Messrs. India Sugars and Refineries Ltd. The rate of supply of liquors was 78 nP. per gallon till the end of September 1959. Country Spirit.

343. The number of licensed shops for the retail vend of liquor was 286. Shops.

344. The consumption of liquor was 75,884 (71,376-35) gallons. The issue of liquor was restricted to the quota fixed for each shop.

345. The revenue derived from liquor was Rs. 19,61,621 (Rs. 22,09,008-14).

346. The rate of tree tax was Rs. 6-50 per tree and owners fee was Rs. 1 62 per tree.

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Toddy.

347. During the year, 1,76,865 (1,66,059) trees were tapped for consumption in the said three districts and 67,898 trees for Andhra Pradesh.

348. The revenue derived from Toddy was Rs. 65,87,436-15 (Rs. 59,52, 574-98).

Ganja.

349. There was no cultivation of Ganja in this area. The rate of Ganja was Rs. 82 per seer of 80 tolas as in the previous year. The limit of private possession continued to be 3 tolas.

350. The consumption of Ganja was 211 (451-79) seers. The issue of Ganja to shops was restricted to the quota fixed for each shop.

351. The revenue derived from Ganja was Rs. 1,02,361-03 (Rs. 2,29,813-08).

Opium.

352. The consumption of Opium was 72 (110½) seers and the revenue derived from Opium was Rs. 53,154 (Rs. 89,171-23).

353. The issue price of Opium from Government Depots was Rs. 175 per seer of 80 tolas. The number of shops licensed for the sale of Opium was 197. The issue of Opium was restricted to the quota fixed for each shop.

Offences.

354. A total number of 1,599 (1,649) offences were reported under Excise and Opium Act, during the year.

Enquiry and Disposal of cases.

355. Of the total number of 2,403 cases for disposal, 1,324 cases were disposed of departmentally, 1,262 cases were disposed of by levy of fines and compounding fees. The amount thus collected was Rs. 21,206-31.

Demand, Collection and Balance.

356. The total demand including previous years arrears was Rs. 1,44,85,322-39, while the collection and balance were Rs. 78,39,817-41 and Rs. 66,45,704-98, respectively.

Coorg District.

357. Prohibition was in force in this District.

358. The revenue derived under Excise Duties during the year was Rs. 78,280-78.

359. Liquors and drugs were supplied to only permit holders.

SOUTH KANARA, MANGALORE.

360. The excise revenue received under Excise Duties during the year was Rs. 33,500.

(iii) Commercial Taxes.

361. Some of the important changes made in the working of the Mysore Sales Tax Act, 1957, and the Rules framed thereunder were :—

1. Due to the promulgation of the Additional Duties of Excise (Goods of Special Importance) Act, 1957, by the Central Government in December 1957, an Ordinance was issued by the Government of Mysore during the month and the said Ordinance was passed into law as the Mysore Sales Tax (Amendment) Act, 1958, dated 29th March 1958, thereby repealing the Mysore Ordinance 9 of 1957. The Mysore Sales Tax Second and Third Amendment Acts were also brought into force during the year and the amendments to various important sections were carried out making such amendments effective as from 1st January 1959.

2. By the First Amendment Act the tax on important commodities like cloth, sugar and tobacco was replaced by additional duties of excise and all these goods were made non-taxable under the local Sales Tax Act as from 1st April 1958. Exemption to electrical energy was also given by the said amendment and the same was brought under the purview of Fifth Schedule.

3. The Second and Third Amendments to the Mysore Sales Tax Act, 1957, were discussed by both the Houses of Legislature and these bills were passed into law during the year.

4. The anamoly of "last purchase" existing in the charging section 5(4) was removed and certain taxable goods like fruits, onions and garlic and books meant for reading were brought under exemption list.

5. Section 5(4) of the Mysore Sales Tax Act, 1957, was amended in conformity with the amended section 15 of the Central Sales Tax Act, 1956.

In the said section a concession was given to sales made on consignment basis in respect of cotton and

groundnut (two major commodities falling in the category of declared goods) to provide higher returns for the agriculturists.

6. Toddy was also made liable to tax as from 1st January 1959. Tax and licence fee on handloom cloth was removed. The articles enumerated in the First Schedule appended to the Act were brought over to the Second Schedule and the First Schedule was deleted.

Section 17 relating to the composition of tax was recast and the slab rate of composition was provided on the lines of the Madras General Sales Tax Act, 1959. The Mysore Sales Tax Rules, 1957, were also duly amended in consonance with the amended sections of the Act and the modified item No. 28 of the Fifth Schedule.

362. *Working of the Mysore Sales Tax Act, 1957*:—

Registered Dealers.

There were 43,604 Registered Dealers at the beginning of the year, and 11,122 were registered during the year. At the end of the year, there were 53,013 registered dealers, after deducting 1,713 dealers whose registration certificates were cancelled during the year.

Turnover.

363. Out of 40,881 dealers assessed to tax during the year, there were 28,018 dealers with turnover less than Rs. 40,000 and 12,863 dealers with turnover exceeding Rs. 40,000.

Licence fees under Sections 6 and 11 of the Act.

364. The total number of licenses issued under the provisions of sections 6 and 11 of the Act were 13,215 and 3,156 respectively. The total licence fees collected during the year was Rs. 6,52,140-80.

Finance.

365. The total demand, collection and balance under Sales Tax during the year were Rs. 6,52,58,694-91, Rs. 4,76,14,513-47 and Rs. 1,76,43,681-44, respectively.

366. The net revenue realised during the year (after deducting the refunds granted) was Rs. 4,87,15,325-71 and the expenditure incurred was Rs. 19,58,416.

Prosecutions.

367. Out of 1,209 prosecutions launched during the year, 879 cases were disposed of, leaving 330 cases pending at the close of the year.

Appeals.

368. Out of the 4,143 appeal cases for disposal during the year, 2,303 appeals were disposed of, leaving 1,840 appeals pending at the close of the year. The total number of revision applications received during the year was 820, of

which 310 were disposed of, leaving a balance of 510 pending at the end of the year.

369. The recovery of Sales Tax arrears during the year (by coercive steps) amounted to Rs. 68,08,136-21. Recovery of Arrears.

370. *Working of the Central Sales Tax Act,* 1956:— During the year, many amendments were effected in the important Sections 2, 6, 7, 8, 9, 10, 13, 14 and 15 of the Act and two new Sections namely 9A and 10A were inserted with a view to prevent leakage of revenue and to bring into purview other provisions not anticipated at the time of passing of the original Act.

371. At the beginning of the year, there were 12,638 registered dealers under the Act, and 4,468 dealers were registered during the year and 1,739 registration certificates were cancelled, bringing the total registered dealers to 15,367 at the end of the year. Registration of Dealers.

372. A total of 10,494 cases were pending for assessment at the beginning of the year and 3,834 cases became due for assessment during the year. Of these, 4,901 assessments were made during the year and at the end of the year 9,427 cases were pending for assessment. Assessments.

373. At the beginning of the year, a sum of Rs. 36,804-43 was outstanding as arrears. The demand raised during the year was Rs. 85,54,593-61 and the amount collected was Rs. 82,60,877-19 and the balance outstanding at the end of the year was Rs. 3,30,520-85. Demand, Collection and Balance.

374. Out of twenty-five appeals filed during the year, two appeals were disposed of, leaving a balance of 23 appeals pending at the end of the year. Appeals.

375. Fifty-eight dealers have committed offences under Section 10 of the Act, of these 50 cases were disposed of during the year. Offences.

376. *Working of the Mysore Agricultural Income Tax Act,* 1957.—The scheme of the Mysore Agricultural Income Tax Act, 1957, remained unchanged during the year.

377. The collection work in all the districts was fairly satisfactory.

378. The total demand of tax including arrears during the year was Rs. 1,29,37,816-20, of which a sum of Rs. 1,03,85,152-51 was collected, leaving a balance of Rs. 25,52,663-69 at the close of the year. Demand, Collection and Balance.

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Assessment Position.

379. Out of 19,679 cases for assessment during the year, 9,959 were disposed of, leaving 9,720 cases pending at the end of the year. An amount of Rs. 1,29,37,816-20 has been levied by way of tax during the year.

D. C. B. under Commercial Crops.

380. Out of a total demand of Rs. 32,15,762-82 including arrears of Agricultural Income Tax in respect of lands grown with commercial crops during the year, a sum of Rs. 25,92,130-83 has been collected, leaving a balance of Rs. 6,23,631-99.

D. C. B. under Plantation Crop.

381. Out of a total demand of Rs. 97,22,053-38 including arrears, a sum of Rs. 77,93,021-68 has been collected during the year, leaving a balance of Rs. 19,29,031-70 at the end of the year.

Penalties levied under the Act,

382. The total amount of penalties levied under the Act was Rs. 20,118-06.

Recovery of tax under Section 42 (3).

383. Under recovery of tax under Section 42 (3), there were 134 cases in the beginning of the year involving a total amount of Rs. 77,783-31 and 252 cases involving a sum of Rs. 1,18,633-60 were referred to during the year. After disposal the number of cases pending at the close of the year was 201 involving a sum of Rs. 1,25,437-78.

Refund under Section 45.

384. There were 65 applications for refund under Section 45, out of which 63 applications were disposed of during the year, which involved an amount of Rs. 69,882-74.

Composition Applications.

385. Out of 1,043 applications received for composition during the year under Section 65 of the Act, 899 applications involving a sum of Rs. 1,62,529-21 were disposed of during the year.

386. No prosecutions were launched under the Act during the year.

387. *Working of the Sugarcane Cess Acts.*—For the levy of sugarcane cess, there were different enactments in the different integrated areas, *viz.*,—

Area		*Enactment*
Mysore Area	...	The Mysore Sugar Factory Sugarcane Cess Act, 1948.
Bellary District	...	The Madras Sugar Factories Control Act, 1949.

Area	*Enactment*
Bombay Area	... The Bombay Sugarcane Cess Act, 1948.
Hyderabad Area	... The Hyderabad Sugarcane Cess Act, 1953.

388. During the latter part of 1958, a common Act for the whole State namely, the Mysore Sugarcane Cess Act, 1958, was enacted.

389. There was an arrear balance (demand) of Rs. 25,09,873-56 at the beginning of the year. Of this, a sum of Rs. 3,70,003-23 was recovered from the India Sugar and Refineries, Ltd. The demand raised during the year was Rs. 46,88,144-34, of which a sum of Rs. 39,46,595-08 representing about 84 per cent of the demand was realised during the year, leaving a balance of Rs. 28,81,419-59 (including the balance of previous years' arrears). Demand, Collection and Balance.

390. There was no appeal under the Sugarcane Cess enactments during the year.

391. *Working of the Betting Tax Act*:—The total amount realised from Betting Tax and Entertainment Tax for Races conducted by the Bangalore Race Club during 1958 Races (Big Meetings and Gymkhana Races) amounted to Rs. 14,73,986-84.

392. *Working of the Prize Competition Act*:—No licence was issued under the Act during the year.

393. Out of the arrears of Rs. 4,45,492-50 outstanding from Messrs. R. M. D. C. Private Ltd., a sum of Rs. 1,14,599-06 relates to the period from 8th February 1952 to 31st March 1956. The case against this amount was pending disposal before the Court, and the balance of Rs. 3,30,893-44 relates to the period from 1st April 1956 to 31st March 1957. By the sale of R.M.D.C. premises along with the moveables a sum of Rs. 1,55,000 was realised and the amount was invested in Government Development Loan 1970. Action was taken for the recovery of the balance of Rs. 1,75,893-44 by putting the moveables under attachment for sale under public auction.

REVENUE AND FINANCE

(iv) Registration and Stamps

REGISTRATION.

District Registry Offices and Sub-Registry Offices.

394. There were 19 District Registry Offices and 177 Sub-Registry Offices in the State during the year.

Registration of Documents and their value.

395. The total number of documents registered during the year (including Yelandur Jahgir) was 4,16,217 (4,03,499). The increase is due to the registration of a large number of sale deeds during the year. The aggregate value of all kinds of documents registered during the year amounted to Rs. 48,51,38,206-92 (Rs. 45,21,02,542-76).

Appeals.

396. Out of 115 appeal cases for disposal during the year, 63 were disposed of.

Prosecutions

397. No prosecutions were launched during the year as no infringement of Registration Law was reported.

Exemptions from payment of Registration fee.

398. The total Registration fee foregone by the Department on account of several concessions granted by Government to Co-operative Institutions, Land Mortgage Banks and other Institutions from payment of Registration fees either in full or in part amounted to Rs. 15,79,848-37 (Rs. 8,47,556-32).

Record of Rights Fees.

399. A sum of Rs. 3,75,651-42 (Rs. 3,51,027-61) was collected as Record of Rights fees during the year.

400. *Administration of Indian Partnership Act,* 1932.—The total number of applications received during the year for registration, filing and grant of copies, etc., was 3,176 (2,708), of which 178 (142) applications under Sections 60(1), 60(2), 63(1), 63(2) of the Indian Partnership Act, 1932, were filed. One thousand and seventy-two firms were registered, and 348 certified copies were granted. The number of searches made was 26. The total revenue realised under the Act during the year was Rs. 5,026-74 (Rs. 4,071-82).

401. *Administration of the Societies Registration Act.*—Three hundred and forty-nine (364) societies were registered during the year, bringing the total number of registered societies under the Act at the end of the year to 2,136 (1,787). The total revenue realised during the year was Rs. 8,125 (Rs. 8,355-55).

Receipts and Expenditure.

402. The receipts and expenditure of the Registration Department during the year were Rs. 27,73,422-67 (Rs. 26,76,726-28) and Rs. 12,14,258 (Rs. 11,79,757-83), respectively.

STAMPS.

Custody and Supply of Stamps.

403. The transactions relating to the stock and issue of non-postal stamps in the Central Depot, which is under the charge of the Superintendent of Stamps, Bangalore, were as follows during the year:—

	No. of Stamps	*Value* Rs.	nP.
Opening Balance ...	3,02,17,798	4,69,84,646	27
Total Receipts ...	15,05,96,756	4,86,56,210	54
Total ...	18,08,14,554	9,56,40,856	81
Total Issues ...	12,68,31,791	3,29,73,601	30
Closing Balance (old plus new designs).	5,39,82,763	6,26,67,255	51

Private Documents.

404. A total of 3,65,622 (2,61,922) documents were impressed with stamps of the aggregate value of Rs. 3,84,419-98 (Rs. 3,85,048-92).

Vending of Commercial Adhesive Labels.

405. The sale of Share Transfer, Foreign Bill, Notorial and Brokers Note stamps in the Office of the Superintendent of Stamps, Bangalore, amounted to Rs. 59,029-32 (Rs. 36,482-58) during the year.

Institution Fees in Pauper Suits.

406. A sum of Rs. 5,07,402-52 was awarded as Institution fees by the several sub-courts during the year. A sum of Rs. 34,888-56 was recovered and a sum of Rs. 20,338-39 was remitted as irrecoverable during the year. The year closed with a balance of Rs. 4,52,175-57. Every effort was being made to reduce the arrears outstanding.

Prosecutions

407. No prosecutions for the evasion of stamp duty under the provisions of the Mysore Stamp Act was instituted during the year.

Receipts and Expenditure

408. The revenue and expenditure of the Stamps Department during the year were Rs. 1,57,54,203-79 (Rs. 1,39,47,884-25) and Rs. 2,57,159 (Rs. 1,88,592), respectively. The net revenue during the year was Rs. 1,54,97,044-79 (Rs. 1,37,59,292-25).

(v) Mysore Sales on Motor Spirit Taxation Act, 1957

409. The number of applications received from all the dealers liable to pay tax under petrol was 38 and under motor spirit other than petrol was 50 and the number of applications received from all the dealers not liable to tax under petrol was 174 and under motor spirit other than petrol was 185. All the dealers have been registered accordingly.

410. The cases still to be assessed under petrol was 1,663 and under motor spirit other than petrol was 1,733.

411. The demand raised during the year was Rs. 43,04,175-06 under petrol and Rs. 42,42,128-84 under motor spirit other than petrol. Out of this amount, Rs. 42,67,865-59 and Rs. 40,76,316-27, respectively, have been collected, leaving a balance of Rs. 36,309-47 and Rs. 1,65,812-57, respectively.

412. Only five cases have been filed under Section 10(d) and one case has been withdrawn under Section 10(d) of Mysore Sales on Motor Spirit Taxation Act, 1957.

413. The administration of M.S.M.S.T. Act, 1957, was generally satisfactory. No difficulties were experienced in the administration of the Act and in collection of tax assessed under the provisions of the Act. There were also no amendments to the Act and Rules during the year.

(vi) The Government Insurance Department.

Proposals (New Business).

414. During the year, 27,811 proposals were dealt with as compared with 19,765 during the previous year. Of these, 21,778 were accepted—11,766 being cases of first insurance and 10,012 of further insurance, 3,623 proposals were rejected—3,551 temporarily and 72 permanently on medical and other grounds. There were thus 2,410 proposals pending disposal at the close of the year as against 6,947 at the end of previous year.

Policies

415. Out of 24,190 (11,701) proposals accepted during the year including 2,410 pending at the beginning of the year and two cases reinstated during the year,

18,458 (9,119) proposals resulted in policies for an assurance of Rs. 2,56,03,515 (Rs. 1,19,32,772) bringing in a monthly premium of Rs. 99,285-50 (Rs. 46,383-50). Out of the remaining 5,732 proposals, 671 were cancelled and for 5,061 cases treasury receipts for payment of first premium had not been received before the close of the year.

416. During the year, 3,837 (3,129) vehicles were insured earning a premium income of about Rs. 3,49,550-79 (Rs. 2,63,917). Motor Branch.

417. The interest income on Motor Insurance Fund during the year amounted to Rs. 71,500. Government advised all the Departments to insure their vehicles in the Motor Branch for third party risks.

418. The claims paid during the year amounted to Rs. 91,053-95.

419. The Motor Insurance Fund as on 31st March 1959 amounted to Rs. 19,01,825 (approximate) as against Rs. 16,68,714 at the close of the previous year. Motor Insurance Fund.

420. The financial position of the Life Insurance Fund during 1958-59 was as follows :— Life Insurance Fund.

Receipts		Rs.	Payments		Rs.
Approximate balance as on 1st April 1958	...	3,26,99,911	Approximate payments for 1958-59	...	24,46,580
Approximate receipts during 1958-59	...	62,47,200	Approximate closing balance as on 31st March 1959	...	3,65,00,531
Total	...	3,89,47,111	Total	...	3,89,47,111

421. The rules of the Official Branch and Motor Branch have been promulgated to the integrated areas of Mysore. Promulgation of new set of Rules.

422. The valuation of the Life Branch for the triennium ending with 31st March 1956 was completed without extra expenditure and the surplus disclosed is the highest in the history of the Official Branch. The Government sanctioned bonus on the Official Branch Policies for the triennium ending on 31st March 1956, at the following rates. Valuation of the Life Branch as on 31st March 1956.

(i) Simple Reversionary Bonus of Rs. 20 per thousand sum assured per annum on all policies in force as on 31st March 1956.

REVENUE AND FINANCE

(ii) To grant interim bonus at the same rate, namely, Rs. 20 per thousand sum assured per annum till the date of next valuation in the case of policies which become claimable by death or maturity in the meantime, as also surrender of policies.

General Insurance Scheme.

423. Proposals for starting new schemes like, Fire, Cattle and General Insurance Schemes on the model of Bombay Insurance Fund were under consideration.

Conclusion.

424. It was found that during 1958-59 maximum new business was under-written and the new business of the Official Branch has reached the highest records set up by the Ex-Public Branch of this Department prior to the formation of the Life Insurance Corporation of India.

425. The valuation results have also set up a record in the history of the Official Branch. As mentioned in the valuation report, 68,575 policies were valued in the Department for the triennium ending on 31st March 1956.